ASX ANNOUNCEMENT

20th MAY 2016

OUTSTANDING DRILLING RESULTS AT NEWMINSTER SETS PATH FOR GROWTH

BEST RESULTS

5 metres grading 11.0 grams per tonne gold

8 metres grading 6.3 grams per tonne gold

5 metres grading 7.5 grams per tonne gold, and

3 metres grading 4.0 grams per tonne gold

Barra Resources Limited (ASX: BAR) is pleased to announce the results of the recent drilling program its 100% owned Phillips Find Project, 45 kilometers northwest of Coolgardie.

The eight (8) reverse circulation (RC) holes completed at Newminster were designed to extend the main high-grade zone of gold mineralisation (Central Lode, *formerly West Lode*) between the 6000 and 6045 northings.

HIGHLIGHTS

- The Central Lode as now defined, extends to a depth of 70 metres below the pit floor. Thickest intersections on last section (6040N) confirm Central Lode continues and remains open.
- Close spaced drilling has now confidently defined the Central Lode over 140 metres down-dip, with the height of the high-grade zone averaging 50 metres and the width averaging 4 metres.
- For the first time a clear understanding of the deposit size, geometry, and exploration upside has been established. This facilitates systematic mine planning and sets a path for potential long-term development and exploitation of the entire Phillips Find Mining Centre (PFMC).

NEXT STEPS

- The Company will commence a geological model and resource estimation for Central Lode to be reported in accordance to JORC 2012.
- Following the resource estimation, an underground mining scoping study will be undertaken to establish the viability of mining the Central Lode, as it is currently defined.
- Most importantly, further drilling to extend the Central Lode down-dip.

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Current Status

The Newminster Deposit forms part of the PFMC within Barra's Phillips Find Project. Since 1998, the PFMC has produced 32,840 ounces of gold from three open-pits, Bacchus Gift, Newhaven and Newminster. All three deposits have the potential for further development via underground mining with gold mineralisation remaining open and minimally tested to date. Management believes the opportunity to discover further deposits at depth and between the existing pits is high.

"Persistence is the key factor in exploration success. When funds have been available Barra has selectively developed Newminster. The two-stage open-pit mining campaign, completed in September 2015, recovered 9,018oz to a depth of 65m. Drilling, including this latest program, has established a firm base for the future" said Gary Berrell, Chairman of Barra Resources Limited.

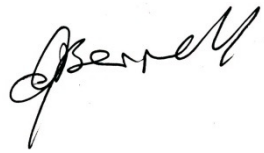
The Newminster Central Lode now presents a potential underground mining opportunity.

To realise this opportunity the Company now needs to:

a) further test the open down-plunge extension of Central Lode.

b) comprehensively test the entire Phillips Find Mining Centre, and

c) commence initial and follow-up drilling of new and established targets in the broader Phillips Find Project area.



Gary Berrell
Chairman & CEO
Barra Resources Limited

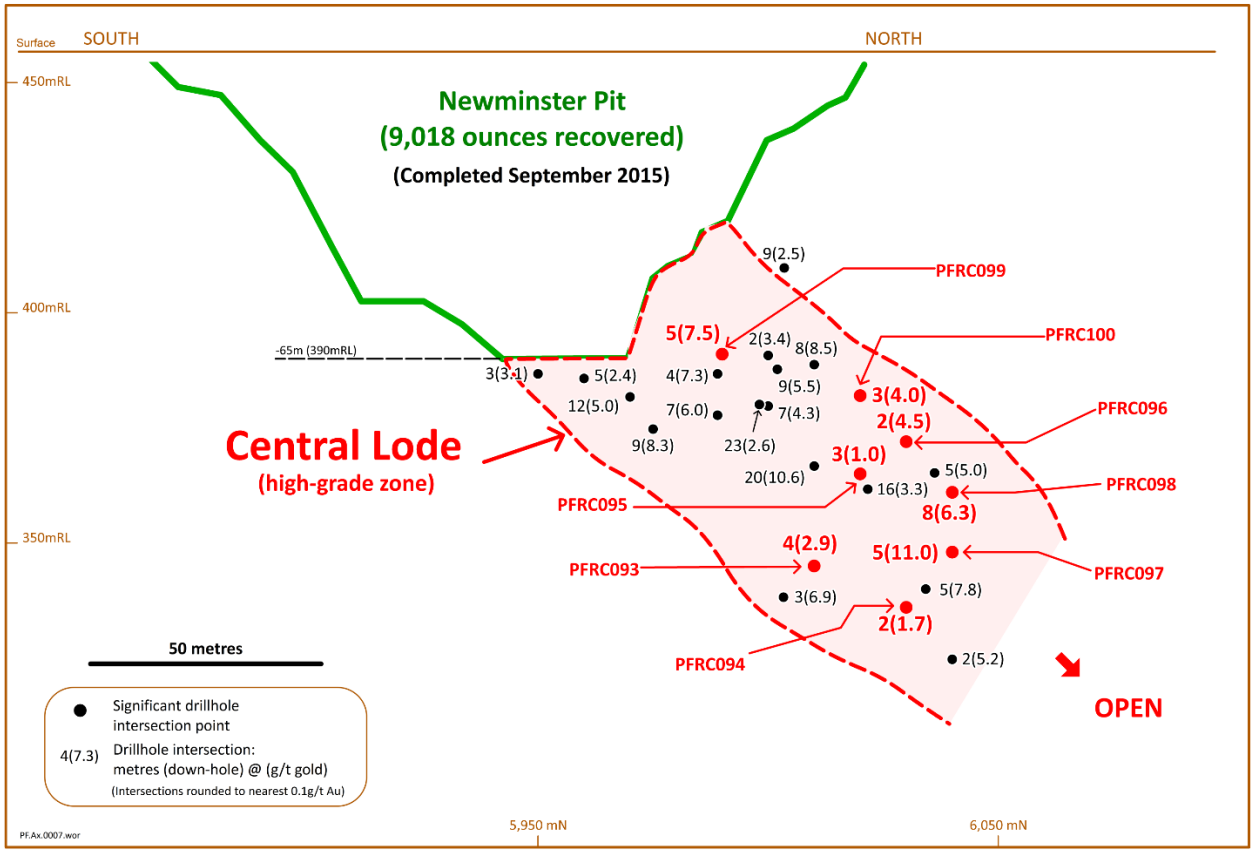


Figure 1: Newminster schematic long-section showing high-grade zone of Central Lode and intersection pierce-points of recent RC drilling program.

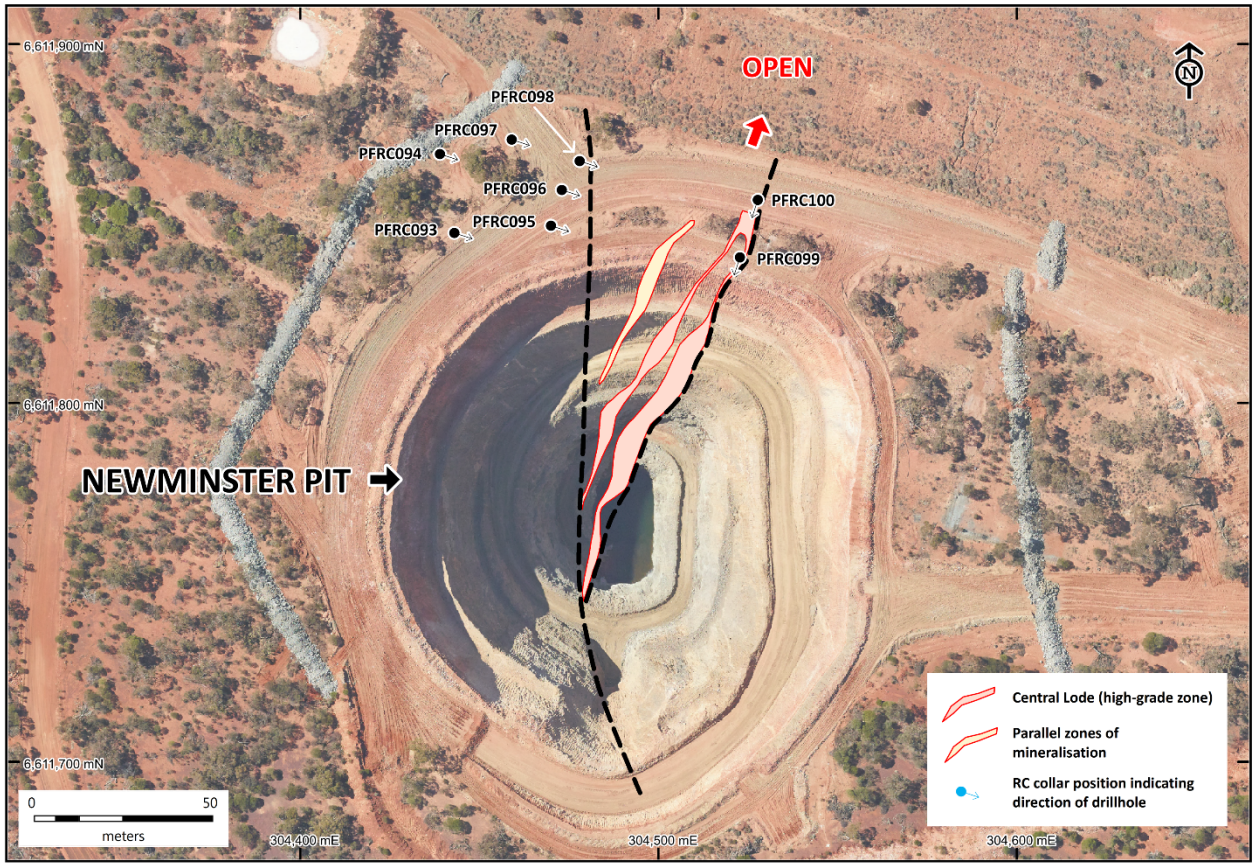


Figure 2: Aerial photo of Newminster pit showing schematic plan of RC collar locations at surface, Central Lode (high-grade zone) and parallel zones of mineralisation at the 375mRL (i.e. 15m below pit floor).

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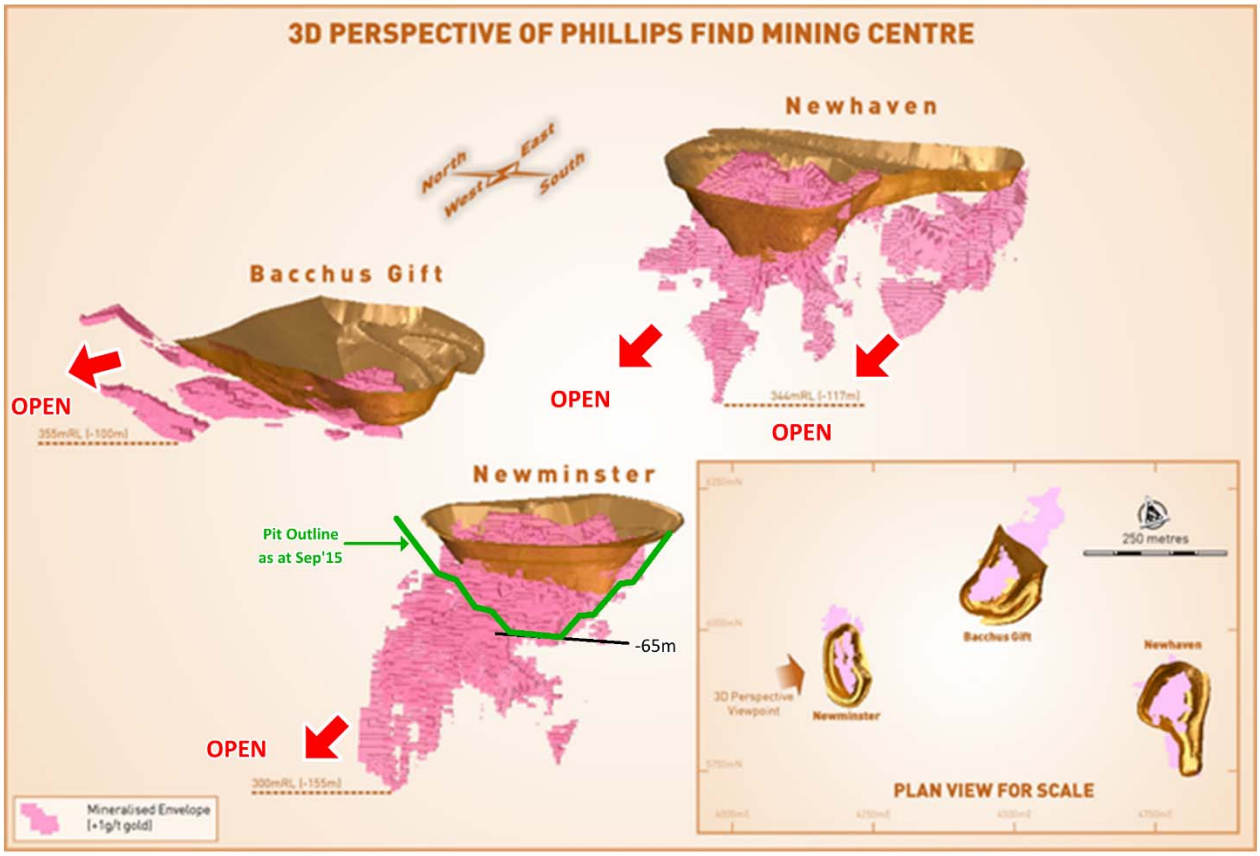

Figure 3: 2013 3-D perspective view (looking northeast) of the Phillips Find Mining Centre showing extent of mineralisation greater than 1.0g/t gold. Mineralisation beneath all pits remains open at depth and requires comprehensive drill testing.

Competent Persons Statement

The information in this report which relates to Exploration Results is based on information compiled by Gary Harvey who is a Member of the Australian Institute of Geoscientists and a full-time employee of Barra Resources Ltd. Gary Harvey has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity which he is undertaking to qualify as a Competent Person as defined in the 2012 Edition of the "Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves". Gary Harvey consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.

THE FOLLOWING TABLES ARE PROVIDED TO ENSURE COMPLIANCE WITH THE JORC CODE (2012 EDITION) FOR THE REPORTING OF EXPLORATION RESULTS.

TABLE 1

Summary of Newminster RC drillhole locations

Hole No.	Local North	Local East	MGA North	MGA East	RL	Dip	Local Azim	Depth
PFRC093	6010	4122	6611848	304442	452	-60	90	140
PFRC094	6030	4112	6611850	304469	452	-60	90	160
PFRC095	6020	4148	6611859	304472	453	-60	90	110
PFRC096	6030	4149	6611870	304438	452	-60	90	120
PFRC097	6040	4130	6611868	304477	452	-60	90	140
PFRC098	6040	4150	6611874	304458	452	-60	90	120
PFRC099	6029	4200	6611842	304522	454	-60	180	90
PFRC100	6045	4200	6611858	304527	453	-70	180	120

Local North and East are 'PF_MineGrid' co-ordinates (metres).
MGA North and MGA East are GDA94 MGA Zone 51 co-ordinates (metres)
RL and Depth are measured in metres
Dip and Azim are measured in degrees. There is a 17.5 degree difference in Local Azim (azimuth) and MGA azimuth (i.e. 90 degree Local is 107.5 degrees MGA).

TABLE 2

Summary of Newminster RC drilling results

Hole No.		Depth From	Depth To	Down-hole Width	Au (g/t)	Comment
PFRC093		88	99	11	0.96	parallel zone
	including	88	90	2	1.04	
	including	95	99	4	1.81	
		119	123	4	2.89	Central Lode
	including	120	122	2	4.89	
PFRC094		20	23	3	14.37	
		96	100	4	0.93	
		108	116	8	0.47	parallel zone
	including	108	109	1	1.12	
	including	115	116	1	2.27	
		129	133	4	1.01	Central Lode
	including	131	133	2	1.73	
PFRC095		82	87	5	0.21	parallel zone
		96	103	7	0.69	Central Lode
	including	97	100	3	1.05	
PFRC096		86	90	4	0.62	parallel zone
		92	104	12	1.27	Central Lode
	including	93	95	2	4.47	
	including	103	104	1	4.74	
PFRC097		109	110	1	0.54	parallel zone
		117	122	5	11.02	Central Lode
PFRC098		87	88	1	0.51	parallel zone
		100	108	8	6.31	Central Lode
	including	103	105	2	19.61	

Hole No.		Depth From	Depth To	Down-hole Width	Au (g/t)	Comment
PFRC099		42	45	3	1.91	parallel zone
	including	43	44	1	4.78	
		49	60	11	0.23	
	including	54	55	1	0.60	
	including	58	59	1	0.70	
		70	75	5	7.46	Central Lode
	including	72	73	1	29.70	
PFRC100		59	62	3	0.25	parallel zone
	including	59	60	1	0.51	
		73	76	3	4.01	Central Lode
	including	75	76	1	10.30	

THE FOLLOWING TABLES ARE PROVIDED TO ENSURE COMPLIANCE WITH THE JORC CODE (2012 EDITION) FOR THE REPORTING OF EXPLORATION RESULTS.

NEWMINSTER DEPOSIT

SECTION 1 – SAMPLING TECHNIQUES AND DATA

(Criteria in this section apply to all succeeding sections.)

Criteria	JORC Code explanation	Commentary
Sampling techniques	• *Nature and quality of sampling (e.g. cut channels, random chips, or specific specialised industry standard measurement tools appropriate to the minerals under investigation, such as down hole gamma sondes, or handheld XRF instruments, etc). These examples should not be taken as limiting the broad meaning of sampling.* • *Include reference to measures taken to ensure sample representivity and the appropriate calibration of any measurement tools or systems used.* • *Aspects of the determination of mineralisation that are Material to the Public Report.* • *In cases where 'industry standard' work has been done this would be relatively simple (eg 'reverse circulation drilling was used to obtain 1 m samples from which 3 kg was pulverised to produce a 30 g charge for fire assay'). In other cases more explanation may be required, such as where there is coarse gold that has inherent sampling problems. Unusual commodities or mineralisation types (eg submarine nodules) may warrant disclosure of detailed information.*	• Sampling was conducted using a Reverse Circulation (RC) drilling rig. • Samples were collected at every 1m interval using a cyclone and cone splitter to obtain a 3kg representative sub-sample for each 1m interval. The cyclone and splitter are cleaned regularly to minimize contamination. • Field duplicates were collected at a rate of 1 in every 25m. • 1m split samples submitted for assaying were collected from across intervals of known mineralisation or potential zones of mineralisation as determined from logging. • Intervals 'outside' of known intervals mineralisation or potential zones of mineralisation as determined from logging, are collected using an aluminium scoop to produce a four-metre composite sample for analysis. • Sampling and QAQC procedures are carried out using Barra protocols as per industry best practice.
Drilling techniques	• *Drill type (eg core, reverse circulation, open-hole hammer, rotary air blast, auger, Bangka, sonic, etc) and details (eg core diameter, triple or standard tube, depth of diamond tails, face-sampling bit or other type, whether core is oriented and if so, by what method, etc).*	• RC drilling is carried out using a face sampling hammer with nominal 5.75" drill bit.
Drill sample recovery	• *Method of recording and assessing core and chip sample recoveries and results assessed.* • *Measures taken to maximise sample recovery and ensure representative nature of the samples.* • *Whether a relationship exists between sample recovery and grade and whether sample bias may have occurred due to preferential loss/gain of fine/coarse material.*	• RC sample recoveries are visually estimated qualitatively on a metre basis and recorded in the database. • Drilling contractors adjust their drilling approach to specific conditions to maximise sample recovery. • Moisture content and sample recovery is recorded for each sample. • No sample recovery issues have impacted on

Criteria	JORC Code explanation	Commentary
		potential sample bias within RC drilling
Logging	• *Whether core and chip samples have been geologically and geotechnically logged to a level of detail to support appropriate Mineral Resource estimation, mining studies and metallurgical studies.* • *Whether logging is qualitative or quantitative in nature. Core (or costean, channel, etc) photography.* • *The total length and percentage of the relevant intersections logged.*	• All drillholes are logged in full. • RC holes were logged at 1m intervals for the entire hole from drill chips collected and stored in chip trays. Data was recorded for regolith, lithology, veining, fabric (structure), grain size, colour, sulphide presence, alteration and oxidation state. • Geology determination is assisted using XRF readings using an InnovX Omega pXRF machine. • Magnetic susceptibility readings are also taken to assist with geological logging. • Logging is both qualitative and quantitative in nature depending on the field being logged.
Sub-sampling techniques and sample preparation	• *If core, whether cut or sawn and whether quarter, half or all core taken.* • *If non-core, whether riffled, tube sampled, rotary split, etc and whether sampled wet or dry.* • *For all sample types, the nature, quality and appropriateness of the sample preparation technique.* • *Quality control procedures adopted for all sub-sampling stages to maximise representivity of samples.* • *Measures taken to ensure that the sampling is representative of the in situ material collected, including for instance results for field duplicate/second-half sampling.* • *Whether sample sizes are appropriate to the grain size of the material being sampled.*	• All RC samples were passed through cyclone and cone riffle splitter and a ~3kg split sample is collected for each 1m interval. • 1m split samples across intervals of known mineralisation or potential zones of mineralisation as determined from logging are collected for analysis. • For Intervals 'outside' of known intervals mineralisation or potential zones of mineralisation as determined from logging, a four-metre composite sample is collected for analysis. If after analysis a four-metre composite sample returns a gold grade >= 0.2ppm, the original 1m split samples are then collected and analysed for that particular composite interval. • Field duplicate samples were collected at a rate of 1 in every 25m and certified reference standards were inserted at a rate of 2-3 per hole. • Sample preparation was conducted at Bureau Veritas' Ultra-trace Assay Laboratory in Perth using a fully automated sample preparation system. Preparation commences with sorting and drying. Oversized samples are crushed to <3mm and split down to 3kg using a rotary or riffle splitter. Samples are then pulverized and homogenized in LM5 Ring Mills and ground to ensure >90% passes 75µm. • 200g of pulverized sample is taken by spatula and used for a 40g charge for Fire Assay for gold analysis. A high-capacity vacuum cleaning system is used to clean sample preparation equipment between each sample. • The sample size is considered appropriate for this type and style of mineralisation.
Quality of assay data and laboratory tests	• *The nature, quality and appropriateness of the assaying and laboratory procedures used and whether the technique is considered partial or total.* • *For geophysical tools, spectrometers, handheld XRF instruments, etc, the parameters used in determining the analysis including instrument make and model, reading times, calibrations factors applied and their derivation, etc.* • *Nature of quality control procedures adopted (eg standards, blanks, duplicates, external laboratory checks) and whether acceptable levels of accuracy*	• Fire Assay is an industry standard analysis technique for determining the total gold content of a sample. The 40g charge is mixed with a lead based flux. The charge/flux mixture is 'fired' at 1100^{o}C for 50mins fusing the sample. The gold is extracted from the fused sample using Nitric (HNO3) and Hydrochloric (HCl) acids. The acid solution is then subjected to Atomic Absorption Spectrometry (AAS) to determine gold content. The detection level for the Fire Assay/AAS technique is 0.01ppm. • Laboratory QA/QC controls during the analysis

Criteria	JORC Code explanation	Commentary
	(ie lack of bias) and precision have been established.	process include duplicates for reproducibility, blank samples for contamination and standards for bias.
Verification of sampling and assaying	• *The verification of significant intersections by either independent or alternative company personnel.* • *The use of twinned holes.* • *Documentation of primary data, data entry procedures, data verification, data storage (physical and electronic) protocols.* • *Discuss any adjustment to assay data.*	• All drilling and significant intersections are verified and signed off by the Exploration Manager for Barra Resources who is also a Competent Person. • No twin holes were drilled during this program. Twin holes have been drilled previously prior to open-pit mining. • Geological logging was originally captured on paper, scanned and sent to the company's consultant database administrator (RoreData) for entry directly into the database via a validation process. Sampling, collar, and laboratory assay data is captured electronically and also sent to RoreData. All original data is stored and backed-up by Barra. The official database is stored by RoreData, a copy of which is uploaded to Barra's server for geologists use. Uploaded data is reviewed and verified by the geologist responsible for the data collection. • No adjustments or calibrations were made to any assay data reported.
Location of data points	• *Accuracy and quality of surveys used to locate drill holes (collar and down-hole surveys), trenches, mine workings and other locations used in Mineral Resource estimation.* • *Specification of the grid system used.* • *Quality and adequacy of topographic control.*	• Drillhole collar locations are surveyed before and after by a qualified surveyor using sophisticated DGPS with a nominal accuracy of +/- 0.05m for north, east and RL (elevation) • The drilling rig was sighted using surveyed sight pegs and a compass. Drillhole angle was set using an inclinometer placed on the drill mast prior to collaring the hole. • Upon drillhole completion a gyroscopic down-hole survey was conducted by Gyro Australia. • All drilling was located using the GDA94, MGA Zone 51 grid system and converted to local the surveyed mine grid (PF_MineGrid) using the following conversion: 1.6199.526mN ; 3999.423mE = 6612065.828mN ; 304382.447mE 2.6100.473mN ; 5293.703mE = 6611577.979mN ; 305585.372mE
Data spacing and distribution	• *Data spacing for reporting of Exploration Results.* • *Whether the data spacing and distribution is sufficient to establish the degree of geological and grade continuity appropriate for the Mineral Resource and Ore Reserve estimation procedure(s) and classifications applied.* • *Whether sample compositing has been applied.*	• Drillholes were designed to infill existing drilling to a 10m x 10m spacing sufficient to establish the necessary continuity and confidence to complete a new Mineral Resource and Reserve, and the classifications applied under the 2012 JORC Code. • No sample compositing has been applied to mineralised intervals.
Orientation of data in relation to geological structure	• *Whether the orientation of sampling achieves unbiased sampling of possible structures and the extent to which this is known, considering the deposit type.* • *If the relationship between the drilling orientation and the orientation of key mineralised structures is considered to have introduced a sampling bias, this should be assessed and reported if material.*	• Drilling was perpendicular to the strike of the main mineralised structure targeted for this program. All reported intervals are however reported as downhole intervals and not true-width. • No drilling orientation and/or sampling bias have been recognized in the data at this time.
Sample security	• *The measures taken to ensure sample security.*	• Samples for analysis were tagged and recorded instantly and delivered to the laboratory at the

Criteria	JORC Code explanation	Commentary
		end of each day. • Samples not collected for analysis are tagged and stored in the company's fenced compound for later use if required.
Audits or reviews	• *The results of any audits or reviews of sampling techniques and data.*	• No audits or reviews have been conducted on sampling techniques and data.

SECTION 2 – REPORTING OF EXPLORATION RESULTS

(Criteria in this section apply to all succeeding sections.)

Criteria	JORC Code explanation	Commentary
Mineral tenement and land tenure status	• *Type, reference name/number, location and ownership including agreements or material issues with third parties such as joint ventures, partnerships, overriding royalties, native title interests, historical sites, wilderness or national park and environmental settings.* • *The security of the tenure held at the time of reporting along with any known impediments to obtaining a licence to operate in the area.*	• The Newminster Deposit is located within mining leases M16/130 and M16/168, located within the Phillips Find Project, 100% owned by Barra Resources Limited. • There is no native title claim over the leases • Ore from within M16/130 is subject to a $3 per tonne treated. • Gold produced within M16/130 and M16/168 is subject to a royalty of $10 per ounce recovered after the first 40,000oz has been produced. • As at 20 May 2016, a total of 32,839 ounces has been recovered from the leases. • The tenements are in good standing.
Exploration done by other parties	• *Acknowledgment and appraisal of exploration by other parties.*	• Gold was first discovered at the Phillips Find Mining Centre (Newminster, Newhaven and Bacchus Gift Deposits) in the 1890's but it wasn't until the 1930's that small mining occurred at Newminster and Newhaven. The most recent small scale mining at Newminster was conducted by Mr D Radisich during the 1970's. Systematic exploration commenced in the 1980's with RAB and RC drilling conducted by Coolgardie Gold NL, Central Kalgoorlie Gold Mines NL (CKGM), Archaean Gold NL, Lachlan Resources NL and Barminco Pty Ltd. • Barminco estimated a geological resource for Newminster in 1999. • Barra Resources Ltd acquired the Newminster Deposit (Phillips Find Project) from Barminco in 2000. In 2008 Barra drilled 3 diamond holes at Newminster to better understand that structural geometry of mineralisation. It wasn't until 2011, after a very successful RC drilling that a maiden JORC 2004 compliant resource was established and a commitment to an open pit mining operation was made. • The Newminster Deposit was mined in 2 stages) to a depth of -65m between January 2013 and September 2015 subject to a 'Right-to-Mine' agreement with Blue Tiger Mining Pty Ltd.
Geology	• *Deposit type, geological setting and style of mineralisation.*	• The Phillips Find Project covers an area along the contact between Coolgardie and Kalgoorlie domains. The boundary between the two domains is marked by the regional scale Kunanalling Shear. The Phillips Find Mining Centre is located on a major geosynclinal fold hinge comprising a sequence of interflow sediments, basalt, dolerite and ultramafic rocks

Criteria	JORC Code explanation	Commentary
		abutting the Dunnsville-Doyle Granodiorite. • Gold mineralisation at Newminster is associated with sheared black shale along the contact between dolerite and basalt, ENE trending offset structures and a NNE crosscutting fault; high-grade mineralisation is controlled the late NNE striking cross-cutting fault.
Drill hole Information	• *A summary of all information material to the understanding of the exploration results including a tabulation of the following information for all Material drill holes:* o *easting and northing of the drill hole collar* o *elevation or RL (Reduced Level – elevation above sea level in metres) of the drill hole collar* o *dip and azimuth of the hole* o *down hole length and interception depth* o *hole length.* • *If the exclusion of this information is justified on the basis that the information is not Material and this exclusion does not detract from the understanding of the report, the Competent Person should clearly explain why this is the case.*	• Drillhole information for the drilling discussed in this report is listed in Tables 1 and 2 in the context of this report. • All material data has been periodically released to the ASX on these dates: • 14/09/2011, 20/09/2011, 19/10/2011, 02/12/2011, 19/12/2011, 02/04/2012, 16/01/2013, 29/04/2013, 15/07/2014, 19/05/2015, 23/07/2015 and 05/04/2016
Data aggregation methods	• *In reporting Exploration Results, weighting averaging techniques, maximum and/or minimum grade truncations (eg cutting of high grades) and cut-off grades are usually Material and should be stated.* • *Where aggregate intercepts incorporate short lengths of high grade results and longer lengths of low grade results, the procedure used for such aggregation should be stated and some typical examples of such aggregations should be shown in detail.* • *The assumptions used for any reporting of metal equivalent values should be clearly stated.*	• Reported intersections have been length weighted to provide the intersection width. • Mineralised zones have been reported where gold values are >= 0.2g/t Au. • For significant intersections, a maximum of 2m of internal waste (or barren) between mineralised samples has been included in the calculation of intersection widths. • No assays have been top-cut for the purpose of this report. A lower cut-off of 1g/t Au has been used to identify significant results. • All significant intersections of have been reported. • No metal equivalent values have been used for the reporting of these exploration results.
Relationship between mineralisation widths and intercept lengths	• *These relationships are particularly important in the reporting of Exploration Results.* • *If the geometry of the mineralisation with respect to the drill hole angle is known, its nature should be reported.* • *If it is not known and only the down hole lengths are reported, there should be a clear statement to this effect (eg 'down hole length, true width not known').*	• True widths, where reported, have been estimated manually on a hole by hole basis for intersections within known mineralised zones and based on the current knowledge of the mineralised structure. • Both downhole width and estimated true width have been clearly specified in this report when used. • The Central Lode trends NNE and dips about 60 degrees west.
Diagrams	• *Appropriate maps and sections (with scales) and tabulations of intercepts should be included for any significant discovery being reported These should include, but not be limited to a plan view of drill hole collar locations and appropriate sectional views.*	• Appropriate plans and sections have been included in the body of this report.
Balanced reporting	• *Where comprehensive reporting of all Exploration Results is not practicable, representative reporting of both low and high grades and/or widths should be practiced to avoid misleading reporting of Exploration Results.*	• Both high and low grades have been reported accurately, clearly identified with drillhole attributes and 'from' and 'to' depths.

Criteria	JORC Code explanation	Commentary
Other substantive exploration data	• *Other exploration data, if meaningful and material, should be reported including (but not limited to): geological observations; geophysical survey results; geochemical survey results; bulk samples – size and method of treatment; metallurgical test results; bulk density, groundwater, geotechnical and rock characteristics; potential deleterious or contaminating substances.*	• Open pit geological and structural mapping of the Newminster Deposit has occurred since completion of open-pit mining. This data has been used to re-model and validate existing and new interpretations of the geometry of mineralisation.
Further work	• *The nature and scale of planned further work (eg tests for lateral extensions or depth extensions or large-scale step-out drilling).* • *Diagrams clearly highlighting the areas of possible extensions, including the main geological interpretations and future drilling areas, provided this information is not commercially sensitive.*	• Further work has been discussed in the context of this report but will include: Geological modelling and Mineral Resource Estimation Scoping study to determine viability of underground mining, and Further drilling to test down-plunge extension to Central Lode.